

930, 910, 912, 920, 950, COS&FOS  
UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
WASHINGTON, D.C. 20240

January 15, 2004

In Reply Refer To:  
5200 (WO-270) P  
Ref. IM No. 2003-107

EMS TRANSMISSION 01/16/2004  
Instruction Memorandum No. 2004-081  
Expires: 09/30/2005

To: All Field and Washington Office Officials

From: Director

Subject: Issuance of Stewardship Contracting Guidance and Identifying Stewardship Contracting Opportunities and Projects **DD: 02/27/2004**

**Program Areas:** Forest and Rangeland Health, Fuels Management, Weed and Invasive Species Control.

**Purposes:** (1) Issuance of the Bureau Land Management's (BLM) Guidance for implementation of Stewardship Contracting Authority; (2) In accordance with the Fiscal Year (FY) 2004 Annual Work Plan (AWP) for Forestry (1030/6310) and Wildland Fire Management (2800), requirement to identify specific stewardship contracting projects which will be awarded in FY 2004; and (3) Requirement to update the State's list of projects with the potential to utilize and demonstrate the stewardship contracting authority.

**Policy/Action:** The attached Stewardship Guidance will be used to develop, contract, implement, track and monitor approved stewardship contracting projects.

The primary objective of a stewardship project is to achieve one or more of the land management goals that meet local and rural community needs. These goals, as identified in the authorizing legislation (Section 323 of Public Law 108-7), may include but are not limited to:

- Road and trail maintenance or obliteration for improved water quality;
- Soil productivity, habitat for wildlife and fisheries, or other resource values;
- Setting of prescribed fires to improve composition, structure, condition, and health of stands or to improve wildlife habitat;

- Removing vegetation or other activities to promote healthy forest stands, reduce fire hazards or achieve other land management objectives;
- Watershed restoration and maintenance;
- Restoration and maintenance of wildlife and fish habitat; and
- Control of noxious and exotic weeds and reestablishing native plant species.

Stewardship contracting projects are defined as those activities used to accomplish one or more of the goals noted above and where the BLM would enter into contract or agreement for services to achieve land management goals as well as meet local and rural community needs. In addition, a source for performance under a contract must be selected on a best value basis. The legislation authorizes trading goods for services, and multi-year contract authority greater than five years but not to exceed ten years.

When designing stewardship projects, consider projects that will involve treatments and techniques available to make forests, woodlands, and rangelands more resilient to natural disturbances such as fire, insects, disease, wind, and flood.

State Directors are directed to submit a revised list of potential stewardship contracting projects that meet the objectives listed above. Additional considerations include: (1) projects that have the potential to use non-traditional contractors, such as State or Tribal governments, local municipalities, or non-governmental organizations through the use of cooperative agreements or assistance agreements; and (2) projects that are selected through a collaborative process with States, Tribes, and local communities, interest are encouraged. The potential list of stewardship contracts submitted by the States in response to Instruction Memorandum (IM) 2003-107 is attached as a starting point. States should update this list to identify potential stewardship contracts.

The FY 2004 AWP reflects the direction provided above and in this IM. States will submit hazardous fuels reduction or wildland urban interface projects (minimum two per state) where treatment by-products can potentially offset overall treatment costs through stewardship contracting (such as in small diameter stands of commercial timber species or in areas where pinyon/juniper is targeted for treatment). Hazardous fuels related projects must already be on the Wildland Fire Leadership Council (WFLC) list of approved projects to be considered for FY 2004. The Public Domain Forestry Program Directives contain additional targets for stewardship contracting projects specified on a State-by-State basis.

Stewardship contracting is not a replacement for our normal timber sale program. Forest management projects designed primarily to enhance volume production are not suitable for stewardship contracting.

Field Offices will screen existing fuels management, wildlife or riparian habitat enhancement and forest and rangeland health projects, regardless of funding source, to determine which projects could benefit from stewardship contracting. Existing projects include those entered into the National Fire Plan Operations Reporting System

(NFPORS), those submitted for Forest Ecosystem Health and Recovery Fund funding via Budget Planning System (BPS), or those that utilize other funding sources and have been entered into the BPS. Other projects that could benefit from this authority will also be considered.

The Washington Office (WO) will need additional information on projects proposed for award/implementation in FY 2004. In order to simplify this submission, projects should be submitted using the format attached to the Guidance, consistent with the existing BPS format. These submissions will be utilized for review at the WO and Assistant Secretary levels, as required by the attached Guidance. Note specific requirements in Description, Benefits, Feasibility and Support – Opposition.

State Offices are asked to review all submitted projects against the criteria listed in the Directives and submit them to the WO (AD200) via State Director approved cover memo. After State Director approval, project approval submissions (BPS format) should be forwarded electronically to Scott Lieurance (WO-270) no later than February 27, 2004.

**Background:** In August 2002, the President announced the initiative entitled *“HEALTHY FORESTS: An Initiative for Wildfire Prevention and Stronger Communities.”* This Initiative identifies needs and opportunities to streamline processes and remove barriers to reducing fire risk and improving forest and rangeland health, including stewardship contracting authority.

The BLM was authorized in the Omnibus Appropriations Act of 2003 (PL 108-7, Section 323) to enter into stewardship contracts to achieve land management goals on public lands. This new authority allows the BLM to enter into long-term end result contracts (up to 10 years in length) that include payment in the form of biomass removal for the service provided and to apply any excess revenues to other stewardship projects without further appropriation.

In November 2003, Congress enacted the Healthy Forest Restoration Act, P.L. 108-48, which provides unique authority for fuels treatment on 20 million acres of federal land. Stewardship contracting is one important tool that can be utilized to accomplish this level of fuels treatment.

Implementation of stewardship contracting authority is of great importance to the Secretary, Assistant Secretary, Land and Minerals Management and the Director. Successful implementation of Stewardship Contracting is a Management-By-Objective item being tracked by the Department.

**Impact on Budget:** Implementing this request, has minimal budget implications.

**Coordination:** This IM was coordinated with the Office of Fire and Aviation (FA-600), Rangeland Resources (WO-220) and the Assistant Secretary, Land and Minerals Management.

**Contact:** Additional information is available by contacting Laura Ceperley at (202) 452-5029, Scott Lieurance at (202) 452-0316, Roy Johnson at (208) 387-5163, Rick Tholen at (208) 387-5321 or Helen Curlee at (202) 452-5147.

Signed by:  
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Acting Director

Authenticated by:  
Barbara J. Brown  
Policy & Records Group, WO-560

2 Attachments

- 1 - Stewardship Contracting Guidance (9 pp)
- 2 - Compilation of State Input in Response to IM 2003-107 (4 pp)